

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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MACLAREN EUROPE LIMITED,

Plaintiff,

-against-

ACE AMERICAN INSURANCE COMPANY,
a/k/a ACE USA,

Defendant.
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INDEX No. 11 cv 4688 (HB)

DECLARATION OF ANTONIO ACOSTA
IN SUPPORT OF PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT

ANTONIO ACOSTA, pursuant to 28 U.S.C. § 1746, declares as follows:

1. I am the principal of International Jewelers Underwriters Agency, Ltd. ("IJU Agency"). IJU Agency is an insurance brokerage located in the City of New York. For the past 23 years, IJU Agency has sold property, liability, marine and other lines of insurance. I have been licensed as an insurance broker and/or agent by New York State for 39 years.

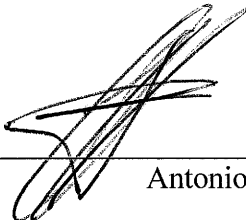
2. I have been asked to provide a declaration describing the customary practices of New York insurance brokers regarding the collection and remittance of premiums for the renewal of insurance policies. The statements contained in this declaration are based upon my nearly four decades of experience in the insurance industry, from the practices of IJU Agency and from my observations of how other New York brokers operate.

3. It is a common practice among New York insurance brokers to collect renewal premiums from their clients prior to the expiration of the existing policy. The reason for this is two-fold. First, securing the premium in advance of the renewal date reduces the risk of a gap in coverage and eliminates the risk that the policy will later be cancelled for non-payment. Second,

many policies contain what is known as a minimum earned premium clause. Under this provision the insurer is deemed to have earned a certain amount of premium the moment the policy is issued. If an insured defaults in paying for the policy, or changes its mind and cancels the coverage, the insurance company will look to the broker for the minimum earned premium, whether or not he has collected it from the insured. A broker who does pay the insurer its minimum earned premium, even if it has collected nothing from its client, may find itself shut-out of doing further business with that insurer. Therefore it is considered a good practice for brokers to obtain prepayment of premium from the insured whenever possible.

Dated: New York, New York
June 21, 2012

I declare under penalty of perjury that the foregoing is true and correct.



Antonio Acosta